

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1  
Approval of Operations on Onshore  
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

| <u>Formation</u> | <u>Depth</u> | <u>Prod. Phase Anticipated</u> |
|------------------|--------------|--------------------------------|
| Uinta            | Surface      |                                |
| Green River      | 2906'        |                                |
| Mahogany Ledge   | 3659'        |                                |
| Mesa             | 5580'        |                                |
| TD (Green River) | 5800'        | Oil                            |

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

| <u>Substance</u> | <u>Formation</u> | <u>Depth</u> |
|------------------|------------------|--------------|
| Oil/Gas          | Green River      | 5800'        |

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

3. Anticipated Bottom Hole Pressures

Maximum anticipated bottom hole pressure equals approximately 2320.0 psi.

4. Surface Ownership

The well pad and access road are located on lands owned by the State.

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AUG 10 2000

DIVISION OF  
OIL, GAS AND MINING

Shenandoah Energy Inc.  
WV #16G-2-8-21

**MULTI-POINT SURFACE USE & OPERATIONS PLAN**

SHENANDOAH ENERGY INC.  
WONSITS VALLEY FEDERAL #16G-2-8-21  
SESE, SEC. 2, T8S, R21E, SLB&M  
UINTAH COUNTY, UTAH

See attached maps

Topo map A- Access routes

Topo map B- Proposed Access road

Topo map C- Location of wells within a one mile radius

Topo map D- Proposed pipeline

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DIVISION OF  
OIL, GAS AND MINING

**Lessee's or Operator's Representative:**

John Busch  
Red Wash Operations Rep.  
Shenandoah Energy Inc.  
11002 East 17500 South  
Vernal, Utah 84078  
(435) 781-4341

**Certification:**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Shenandoah Energy Inc. will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Shenandoah Energy Inc. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

  
\_\_\_\_\_

John Busch  
Red Wash Operations Representative

August 8, 2000  
\_\_\_\_\_

Date

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DIVISION OF  
OIL, GAS AND MINING

8/4/00

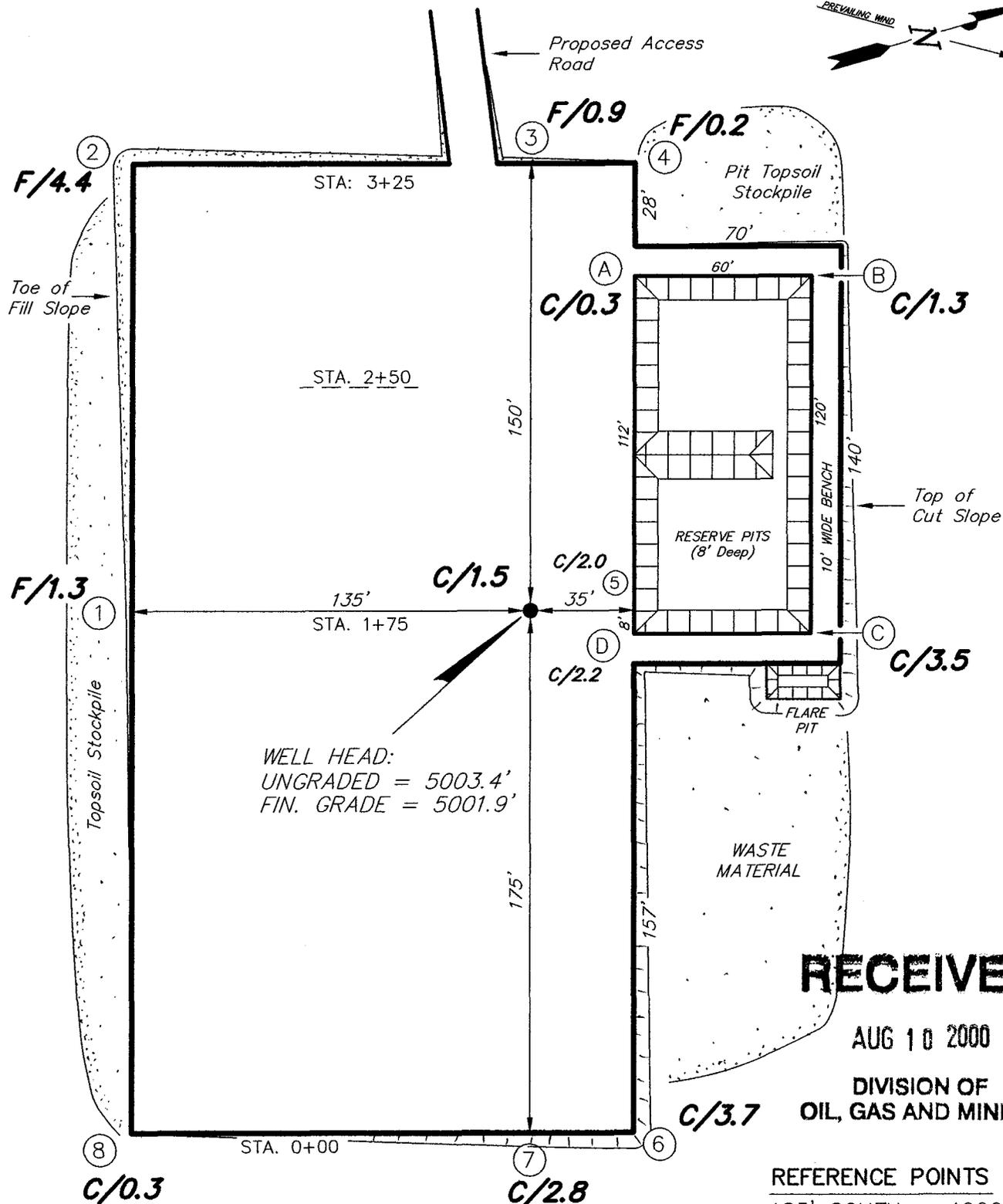
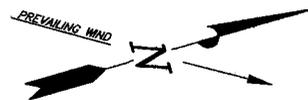
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# SHENANDOAH ENERGY, INC.

WVFU #16G-2-8-21  
SEC. 2, T8S, R21E, S.L.B.&M.



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DIVISION OF OIL, GAS AND MINING

REFERENCE POINTS

- 185' SOUTH = 4999.5'
- 235' SOUTH = 4997.5'
- 200' WEST = 5000.7'
- 250' WEST = 5000.8'

|                     |                 |
|---------------------|-----------------|
| SURVEYED BY: D.J.S. | SCALE: 1" = 50' |
| DRAWN BY: J.R.S.    | DATE: 7-31-00   |

(435) 781-2501

Tri State

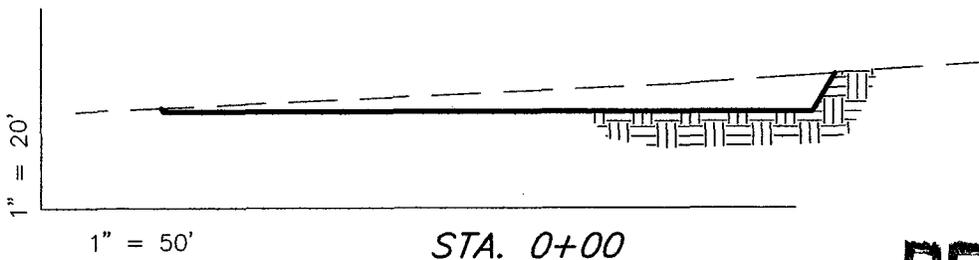
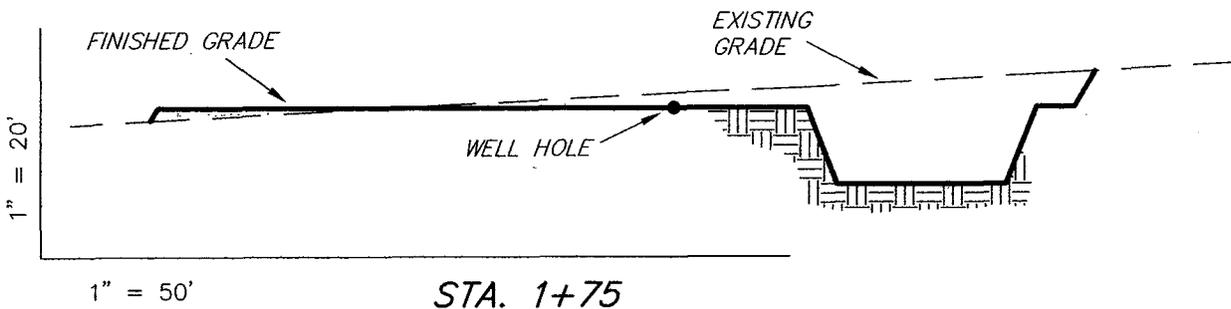
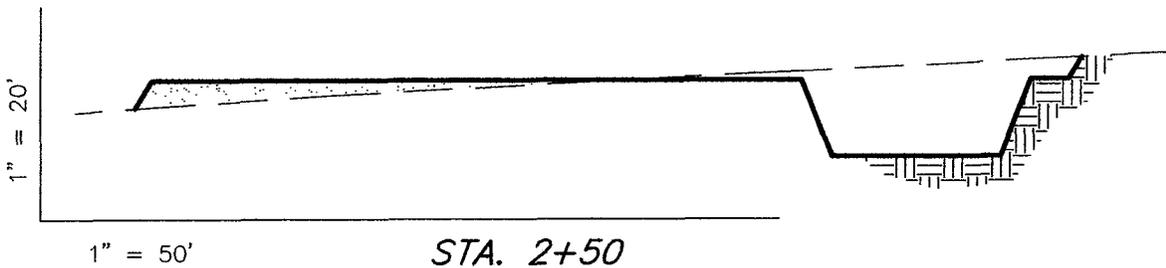
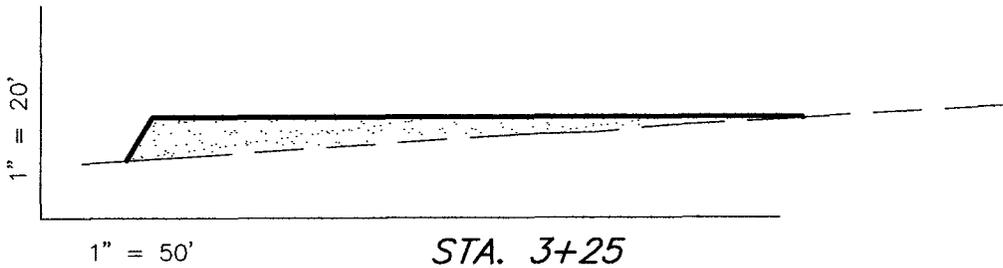
Land Surveying, Inc.

38 WEST 100 NORTH VERNAL, UTAH 84078

SHENANDOAH ENERGY, INC.

CROSS SECTIONS

WVFU #16G-2-8-21



APPROXIMATE YARDAGES

- CUT = 1,610 Cu. Yds.
- FILL = 1,600 Cu. Yds.
- PIT = 1,630 Cu. Yds.
- 6" TOPSOIL = 1,200 Cu. Yds.

**RECEIVED**

AUG 10 2000

DIVISION OF  
OIL, GAS AND MINING

SURVEYED BY: D.J.S.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

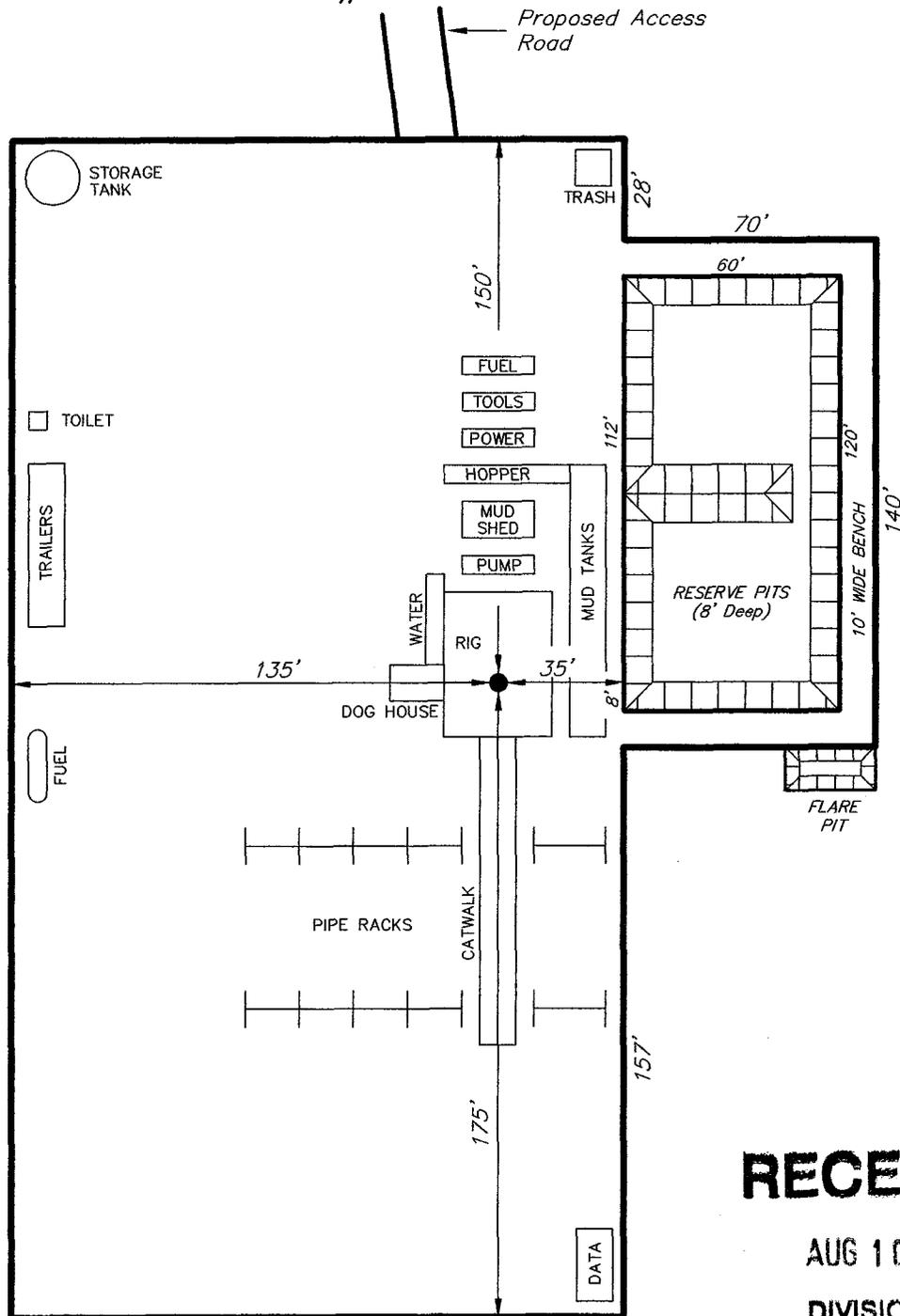
DATE: 7-31-00

**Tri State** (435) 781-2501  
Land Surveying, Inc.  
38 WEST 100 NORTH VERNAL, UTAH 84078

SHENANDOAH ENERGY, INC.

TYPICAL RIG LAYOUT

WVFU #16G-2-8-21



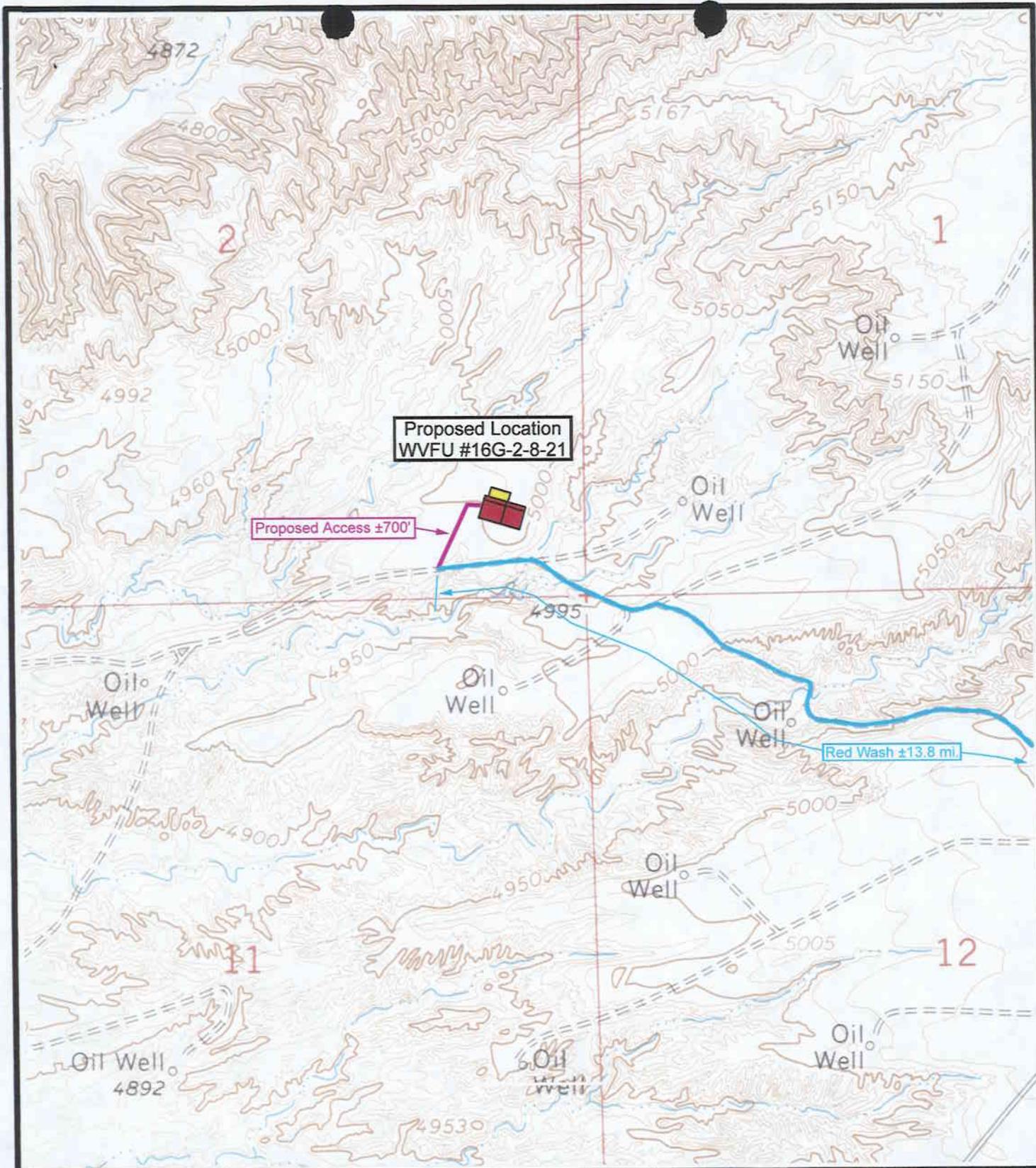
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AUG 10 2000

DIVISION OF  
OIL, GAS AND MINING

**Tri State**  
Land Surveying, Inc.  
(435) 781-2501  
38 WEST 100 NORTH, VERNAL, UTAH 84078





Proposed Location  
WVFU #16G-2-8-21

Proposed Access ±700'

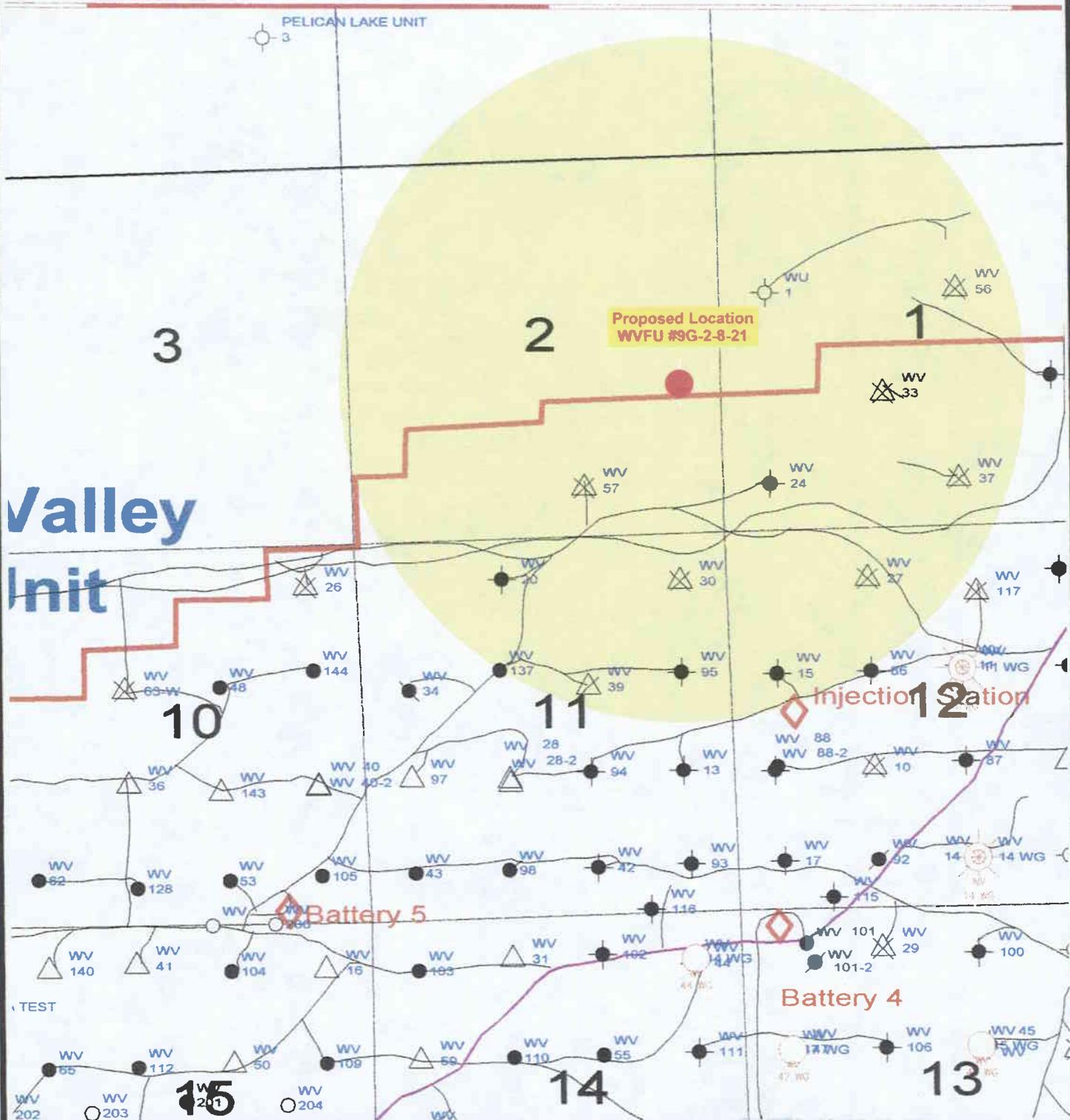
Red Wash ±13.8 mi.

**SHENANDOAH ENERGY INC.**

**WVFU #16G-2-8-21  
SEC. 2, T8S, R21E, SLB&M  
TOPOGRAPHIC MAP "B"**



|   |           |
|---|-----------|
| Drawn By: SS  | Revision: |
| Scale: 1" = 1000'   | File:     |
| Date: 7-31-00   |           |
| <b>Tri-State Land Surveying Inc.</b><br><b>P.O. Box 533, Vernal, UT 84078</b><br><b>435-781-2501 Fax 435-781-2518</b> |           |



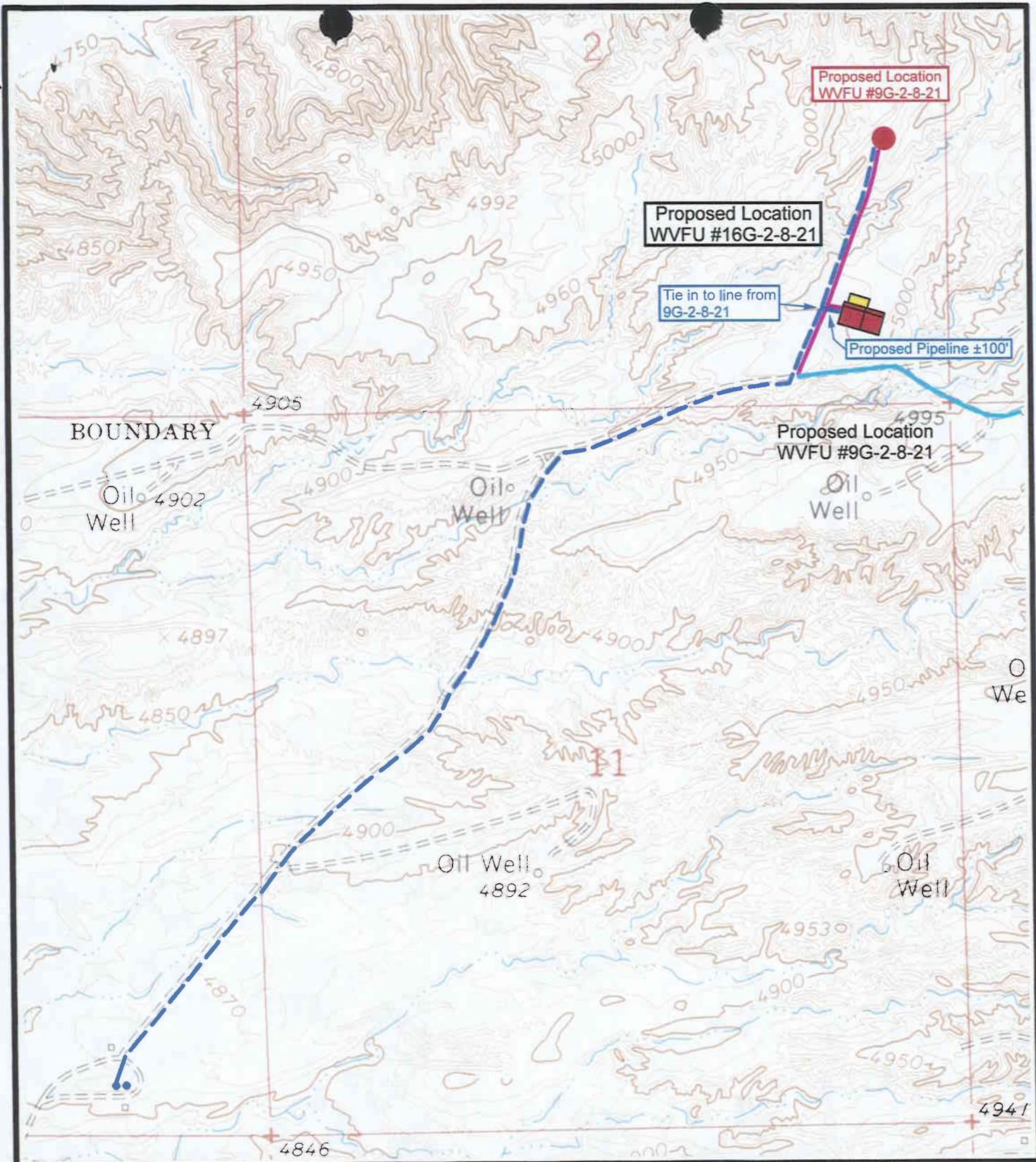
Valley Unit

**SHENANDOAH ENERGY INC.**

**WVFU #9G-2-8-21  
SEC. 2, T8S, R21E, SLB&M  
TOPOGRAPHIC MAP "C"**



|   |           |
|---|-----------|
| Drawn By: SS  | Revision: |
| Scale: 1" = 2000'   | File:     |
| Date: 7-31-00   |           |
| <b>Tri-State Land Surveying Inc.</b><br>P.O. Box 533, Vernal, UT 84078<br>435-781-2501 Fax 435-781-2518 |           |



**SHENANDOAH ENERGY INC.**

**WVFU #16G-2-8-21  
 SEC. 2, T8S, R21E, SLB&M  
 TOPOGRAPHIC MAP "D"**



|   |           |
|---|-----------|
| Drawn By: SS  | Revision: |
| Scale: 1" = 1000'   | File:     |
| Date: 7-31-00   |           |
| <b>Tri-State Land Surveying Inc.</b><br><b>P.O. Box 533, Vernal, UT 84078</b><br><b>435-781-2501 Fax 435-781-2518</b> |           |

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/10/2000

API NO. ASSIGNED: 43-047-33646

WELL NAME: WVFU 16G-2-8-21  
 OPERATOR: SHENANDOAH ENERGY INC ( N4235 )  
 CONTACT: JOHN BUSCH

PHONE NUMBER: 435-781-4341

PROPOSED LOCATION:

SESE 02 080S 210E  
 SURFACE: 0682 FSL 0732 FEL  
 BOTTOM: 0682 FSL 0732 FEL  
 UINTAH  
 WONSITS VALLEY ( 710 )

| INSPECT LOCATN BY: / / |          |        |
|------------------------|----------|--------|
| Tech Review            | Initials | Date   |
| Engineering            | RBC      | 9-8-00 |
| Geology                |          |        |
| Surface                |          |        |

LEASE TYPE: 3-State  
 LEASE NUMBER: ML-2785  
 SURFACE OWNER: 3-State

PROPOSED FORMATION: GRRV

RECEIVED AND/OR REVIEWED:

Plat  
 Bond: Fed[] Ind[] Sta[3] Fee[]  
 (No. U89758059 )  
 Potash (Y/N)  
 Oil Shale (Y/N) \*190 - 5 (B)  
 Water Permit  
 (No. 43-8496 )  
 RDCC Review (Y/N)  
 (Date: \_\_\_\_\_ )  
 Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3. Unit Wonsits Valley  
 R649-3-2. General  
 Siting: \_\_\_\_\_  
 R649-3-3. Exception  
 Drilling Unit  
 Board Cause No: 116-1 \* Enh. Rec.  
 Eff Date: 7-20-05  
 Siting: Not Specified / Gen. St.  
 R649-3-11. Directional Drill

COMMENTS: Need Presite. (Conducted 9-5-2000)  
WVFU SOP, separate file.

STIPULATIONS: ① STATEMENT OF BASIS

**DIVISION OF OIL, GAS AND MINING  
APPLICATION FOR PERMIT TO DRILL  
STATEMENT OF BASIS**

Operator Name: SHENANDOAH ENERGY, INC.

Well Name & Number: WVFU 16G-2-8-21

API Number: 43-047-33646

Location: 1/4,1/4 SE/SE Sec. 2 T. 8S R. 21E

**Geology/Ground Water:**

Shenandoah proposes to set 450' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 2,500'. A search of Division of Water Rights records shows 1 water well within a 10,000 foot radius of the center of section 2. The well is approximately 9,000 feet from the proposed well, is a 40 foot deep stock watering well, and should not be influenced by the proposed well. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. The proposed surface casing should adequately protect any underground sources of useable water.

Reviewer: Brad Hill

Date: 9/7/2000

**Surface:**

The pre-drill investigation of the surface was performed on 9/5/2000. Surface and minerals are owned by State of Utah. Ed Bonner with SITLA and Jack Lytle with DWR were both invited to this meeting on 8/30/2000. Neither attended. Site is a legal location per general state siting rule. This site appears to be the best spot for a location in the immediate area. This well will share location with the 16G-2-8-21. The wells will be 75' apart. These wells will share the reserve pit, and a liner will not be necessary in this pit.

Reviewer: David W. Hackford

Date: 9/5/2000

**Conditions of Approval/Application for Permit to Drill:**

None

**ON-SITE PREDRILL EVALUATION**  
**Division of Oil, Gas and Mining**

OPERATOR: SHENANDOAH ENERGY, INC.  
WELL NAME & NUMBER: WVFU 16G-2-8-21  
API NUMBER: 43-047-33646  
LEASE: STATE \_\_\_\_\_ FIELD/UNIT: WONSITS VALLEY  
LOCATION: 1/4, 1/4 SE/SE SEC:2 TWP:8S RNG: 21E  
732' F E L 682' F S L  
LEGAL WELL SITING: Statewide 400 foot window in center of 40  
acre tract and no closer than 920 feet from  
another well.  
GPS COORD (UTM): 12626471E 4445171N  
SURFACE OWNER: SITLA

**PARTICIPANTS:**

JOHN BUSCH, (SHENANDOAH). DAVID HACKFORD, (DOGM).

**REGIONAL/LOCAL SETTING & TOPOGRAPHY:**

SITE IS IN AN AREA OF LOW ROLLING HILLS AND SHALLOW DRAWS  
DRAINING WEST TOWARD THE GREEN RIVER THREE MILES AWAY. A ROCKY  
RIDGE RUNNING NORTH TO SOUTH IS 0.5 MILES TO THE EAST.

**SURFACE USE PLAN:**

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING.  
HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WOULD BE 325' BY 240'  
AND ACCESS ROAD WOULD BE 100 FEET.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE  
ATTACHED MAP FROM GIS DATABASE

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: \_\_\_\_\_  
ALL PRODUCTION FACILITIES WILL BE ON LOCATION AND  
CONSTRUCTED AFTER WELL IS DRILLED AND COMPLETED. THE  
PIPELINE TO THIS BATTERY WILL FOLLOW ACCESS ROAD.

SOURCE OF CONSTRUCTION MATERIAL: ALL CONSTRUCTION MATERIAL  
WILL BE BORROWED FROM SITE DURING CONSTRUCTION OF LOCATION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

**WASTE MANAGEMENT PLAN:**

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT WILL BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

**ENVIRONMENTAL PARAMETERS:**

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: NATIVE GRASSES, HORSEBRUSH, PRICKLY PEAR, CHEAT GRASS, GREASEWOOD, RUSSIAN THISTLE: RODENTS, COYOTES, SONG-BIRDS, RAPTORS, PRONGHORN, DEER.

SOIL TYPE AND CHARACTERISTICS: LIGHT SANDY CLAY.

EROSION/SEDIMENTATION/STABILITY: VERY LITTLE NATURAL EROSION. SEDIMENTATION AND STABILITY ARE NOT A PROBLEM AND LOCATION CONSTRUCTION SHOULDN'T CAUSE ANY INCREASE IN STABILITY OR EROSION PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

**RESERVE PIT:**

CHARACTERISTICS: 150' BY 70' AND 8' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A LINER WILL NOT BE REQUIRED FOR RESERVE PIT.

**SURFACE RESTORATION/RECLAMATION PLAN:**

AS PER STATE OF UTAH.

**SURFACE AGREEMENT: STATE LAND.**

**CULTURAL RESOURCES/ARCHAEOLOGY: SITE WAS INSPECTED BY SENCOPHENIX ARCHAEOLOGICAL CONSULTANTS. A REPORT OF THIS INVESTIGATION WILL BE PLACED ON FILE.**

**OTHER OBSERVATIONS/COMMENTS:**

THE PRE-DRILL INVESTIGATION TOOK PLACE ON 9/5/2000, A WARM, CLEAR DAY. THIS LOCATION WILL HAVE TWO WELLS, THE 16W-2-8-21 AND THE 16G-2-8-21.

**ATTACHMENTS:**

PHOTOS OF SITE WILL BE PLACED ON FILE.

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DAVID W. HACKFORD  
DOG M REPRESENTATIVE

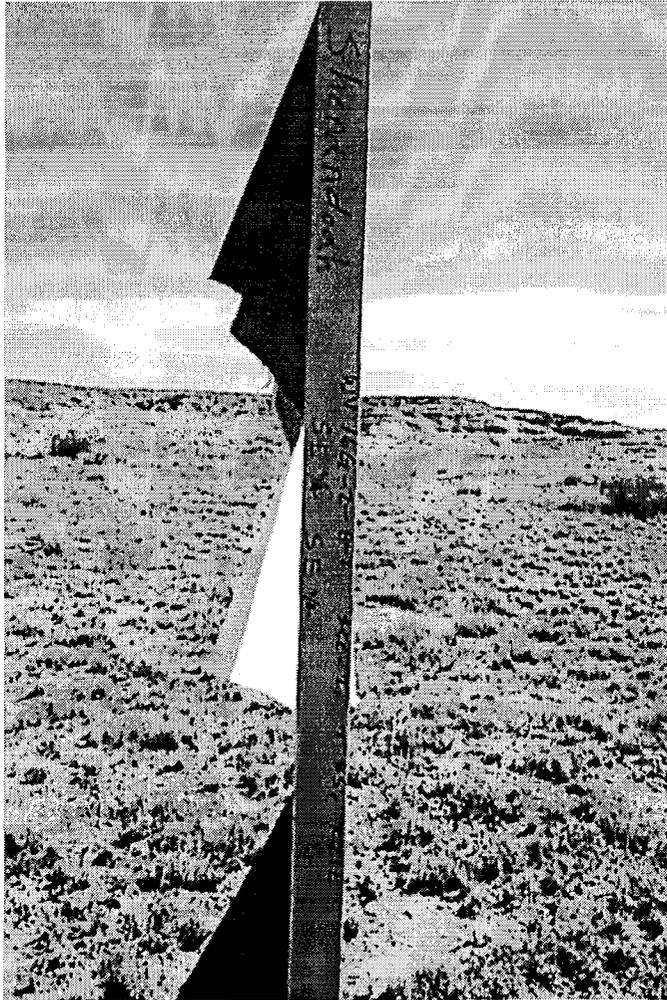
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DATE/TIME

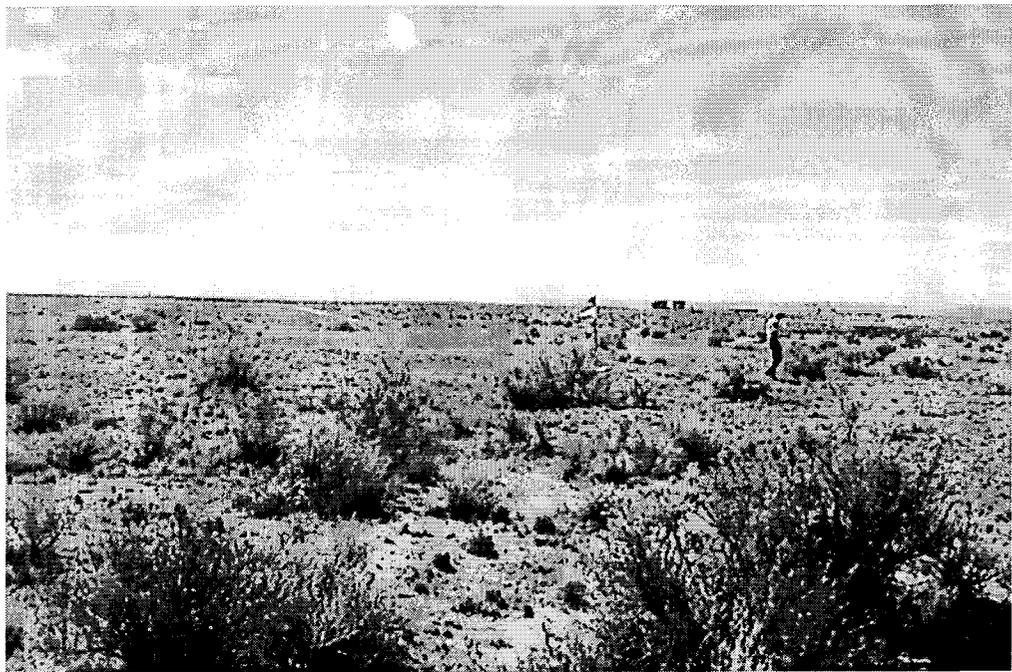
**Evaluation Ranking Criteria and Ranking Score  
For Reserve and On-site Pit Liner Requirements**

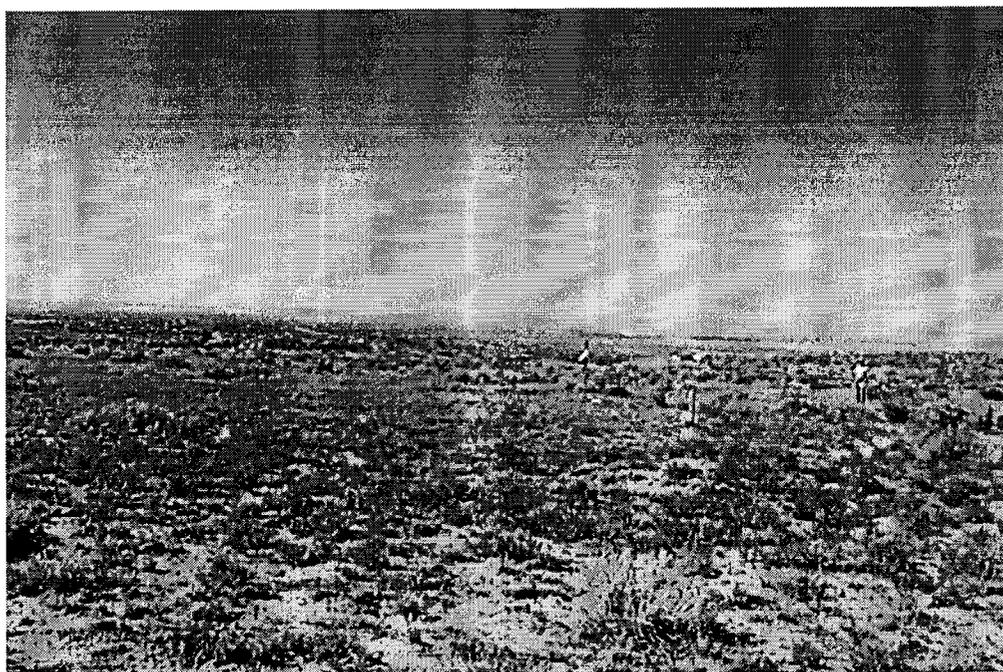
| <u>Site-Specific Factors</u>                               | <u>Ranking</u> | <u>Site Ranking</u> |
|--|----------------|---------------------|
| <b>Distance to Groundwater (feet)</b>                      |                |                     |
| >200   | 0              |                     |
| 100 to 200   | 5              |                     |
| 75 to 100  | 10             |                     |
| 25 to 75   | 15             |                     |
| <25 or recharge area                                       | 20             | <u>5</u>            |
| <b>Distance to Surf. Water (feet)</b>                      |                |                     |
| >1000  | 0              |                     |
| 300 to 1000  | 2              |                     |
| 200 to 300   | 10             |                     |
| 100 to 200   | 15             |                     |
| < 100  | 20             | <u>0</u>            |
| <b>Distance to Nearest Municipal Well (feet)</b>           |                |                     |
| >5280  | 0              |                     |
| 1320 to 5280   | 5              |                     |
| 500 to 1320  | 10             |                     |
| <500   | 15             | <u>0</u>            |
| <b>Distance to Other Wells (feet)</b>                      |                |                     |
| >1320  | 0              |                     |
| 300 to 1320  | 10             |                     |
| <300   | 20             | <u>0</u>            |
| <b>Native Soil Type</b>                                    |                |                     |
| Low permeability   | 0              |                     |
| Mod. permeability  | 10             |                     |
| High permeability  | 20             | <u>0</u>            |
| <b>Fluid Type</b>  |                |                     |
| Air/mist   | 0              |                     |
| Fresh Water  | 5              |                     |
| TDS >5000 and <10000                                       | 15             |                     |
| TDS >10000 or Oil Base                                     | 20             |                     |
| Mud Fluid containing high levels of hazardous constituents |                | <u>5</u>            |
| <b>Drill Cuttings</b>                                      |                |                     |
| Normal Rock  | 0              |                     |
| Salt or detrimental  | 10             | <u>0</u>            |
| <b>Annual Precipitation (inches)</b>                       |                |                     |
| <10  | 0              |                     |
| 10 to 20   | 5              |                     |
| >20  | 10             | <u>0</u>            |
| <b>Affected Populations</b>                                |                |                     |
| <10  | 0              |                     |
| 10 to 30   | 6              |                     |
| 30 to 50   | 8              |                     |
| >50  | 10             | <u>0</u>            |
| <b>Presence of Nearby Utility</b>                          |                |                     |
| <b>Conduits</b>  |                |                     |
| Not Present  | 0              |                     |
| Unknown  | 10             |                     |
| Present  | 15             | <u>0</u>            |
| <b>Final Score</b>   |                | <u>10</u>           |





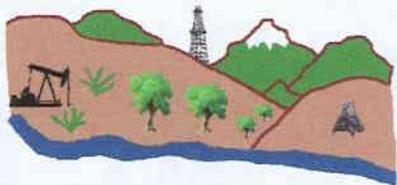












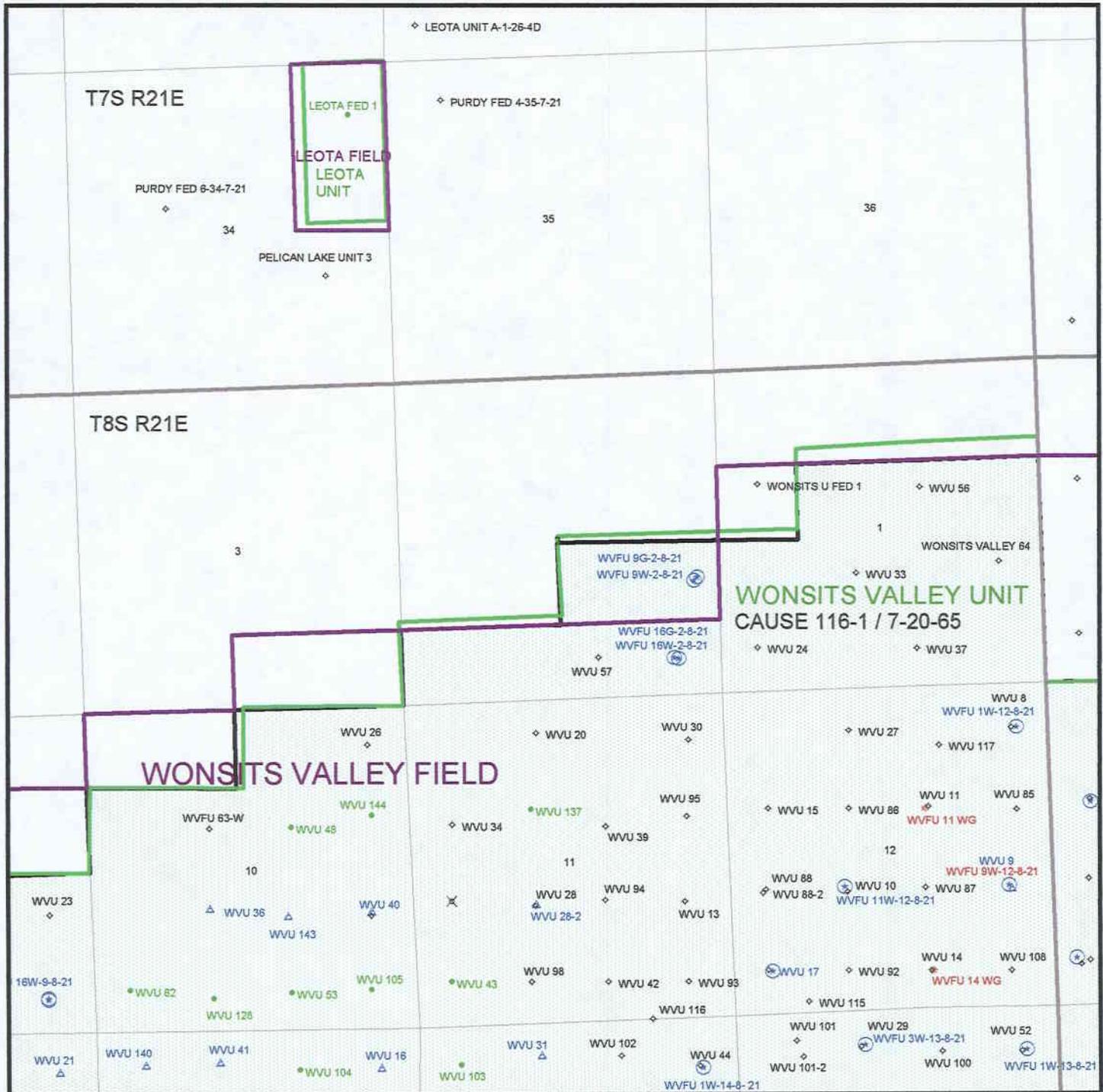
Utah Oil Gas and Mining

OPERATOR: SHENANDOAH ENERGY (N4235)

FIELD: WONSITS VALLEY (710)

SEC. 2, T8S, R21E,

COUNTY: UINTAH UNIT: WONSITS VALLEY  
CAUSE: 116-1 (ENH REC)



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:  
3160  
(UT-922)

August 16, 2000

### Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2000 Plan of Development Wonsits Valley Unit,  
Uintah County, Utah.

Pursuant to email between Lisha Cordova, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following wells are planned for calendar year 2000 within the Wonsits Valley Unit, Uintah County, Utah.

| Api Number | Well | Location |
|------------|------|----------|
|------------|------|----------|

#### Wasatch Completions

|              |                  |                                     |
|--------------|------------------|-------------------------------------|
| 43-047-33645 | WVFU 16W-2-8-21  | Sec. 2, T8S, R21E 660 FSL 660 FEL   |
| 43-047-33648 | WVFU 9W-2-8-21   | Sec. 2, T8S, R21E 1955 FSL 399 FEL  |
| 43-047-33649 | WVFU 12W-16-8-21 | Sec. 16, T8S, R21E 1860 FSL 615 FWL |

#### Green River Completions

|              |                  |                                     |
|--------------|------------------|-------------------------------------|
| 43-047-33646 | WVFU 16G-2-8-21  | Sec. 2, T8S, R21E 682 FSL 732 FEL   |
| 43-047-33647 | WVFU 9G-2-8-21   | Sec. 2, T8S, R21E 2012 FSL 352 FEL  |
| 43-047-33650 | WVFU 12G-16-8-21 | Sec. 16, T8S, R21E 1932 FSL 635 FWL |

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Wonsits Valley Unit  
Division of Oil Gas and Mining  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:8-16-0

# SHENANDOAH ENERGY INC.

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11002 East 17500 South

Vernal, UT 84078

Phone: (435) 781-4300

Fax (435) 781-4329

August 16, 2000

Division of Oil, Gas & Mining

1594 W. North Temple

Salt Lake City, UT 84114

Dear Lisha:

These are the originals for the APD on the WV #16W-2-8-21 and WV #16G-2-8-21. I know that it was really confusing I hope we have it all worked out.

If you need anything else please call me at (435) 781-4309.

Thank you,



Raleen Searle

Administrative Assistant

**RECEIVED**

**AUG 18 2000**

**DIVISION OF  
OIL, GAS AND MINING**

**UNITED STATES**  
**DEPARTMENT OF THE INTERIOR**  
**BUREAU OF LAND MANAGEMENT**

**SUBMIT IN TRIPLICATE\***  
(Other instructions on reverse side)

**FORM APPROVED**  
OBM NO. 1004-0136  
Expires: February 28, 1995

|   |  |  |   |  |
|---|--|--|---|--|
| <b>APPLICATION FOR PERMIT TO DRILL OR DEEPEN</b>  |  |  | 5. LEASE DESIGNATION AND SERIAL NO.<br><p align="center">ML-2785</p>        |  |
| 1a. TYPE OF WORK<br><b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>   |  |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME<br><p align="center">N/A</p>           |  |
| b. TYPE OF WELL<br>OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> |  |  | 7. UNIT AGREEMENT NAME<br><p align="center">WONSITS VALLEY FEDERAL UNIT</p> |  |
| 2. NAME OF OPERATOR<br><b>Shenandoah Energy Inc.</b>  |  |  | 8. FARM OR LEASE NAME, WELL NO.<br><p align="center">#16G-2-8-21</p>        |  |
| 3. ADDRESS AND TELEPHONE NO. Phone: 435-781-4341      11002 East 17500 South<br>Fax: 435-781-4329      Vernal, Utah 84078   |  |  | 9. API WELL NO.   |  |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)<br>At surface<br><b>682' FSL 732' FEL, SESE</b><br>At proposed prod. Zone<br><p align="center">4444967N<br/>626509E</p>    |  |  | 10. FIELD AND POOL, OR WILDCAT<br><p align="center">WONSITS VALLEY</p>      |  |
| 11. SEC., T., R., M., OR BLK AND SURVEY OR AREA<br><p align="center">SEC. 2, T8S, R21E SLB&amp;M</p>  |  |  | 12. COUNTY OR PARISH<br><p align="center">Uintah</p>                        |  |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*<br><b>11 miles West of Redwash Utah</b>   |  |  | 13. STATE<br><p align="center">Utah</p>                                     |  |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. Unit line if any)<br><p align="center">682' ±</p>  |  | 16. NO. OF ACRES IN LEASE<br><p align="center">602</p> |   | 17. NO. OF ACRES ASSIGNED TO THIS WELL<br><p align="center">40</p> |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.<br><p align="center">1200' ±</p>   |  | 19. PROPOSED DEPTH<br><p align="center">5800'</p>      |   | 20. ROTARY OR CABLE TOOLS<br><p align="center">Rotary</p>          |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.)<br><b>5002.1'</b>  |  |  | 22. APPROX. DATE WORK WILL START*<br><p align="center">A.S.A.P</p>          |  |
| 23. PROPOSED CASING AND CEMENTING PROGRAM<br><b>REFER TO S.O.P</b>  |  |  |   |  |

Shenandoah Energy Inc. proposes to drill a well to 5800' to test the Green River. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

Operations will be according to the Standard Operating Procedures for the Wonsits Valley Unit.

See Onshore Order No. 1 attached.

Please be advised that Shenandoah Energy Inc. is considered to be the operator of the above mentioned well. Shenandoah Energy Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. U-89-75-80-59. The principal is Shenandoah Energy Inc. via surety as consent as provided for in 43 CFR 3104.2.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventor program if any.

24  
SIGNED John Busch John Busch      TITLE Red Wash Operations Representative      DATE 8/8/00

(This space for Federal or State office use)  
PERMIT NO. 43-047-33646      APPROVAL DATE \_\_\_\_\_

Application approval does not warrant or certify that the applicant holds legal or equitable title to these rights in the subject lease which would entitle the applicant to conduct operations thereon.  
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Bradley G. Hill      **BRADLEY G. HILL**      DATE 9/11/00  
**RECLAMATION SPECIALIST III**

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**RECEIVED**  
**AUG 18 2000**  
**DIVISION OF**  
**OIL, GAS AND MINING**

Well name:

**9-00 Shendoah WV #16G-2-8-21**

Operator: **Shenandoah**

String type: **Surface**

Project ID:

43-047-33646

Location: **Uintah Co.**

**Design parameters:**

**Collapse**

Mud weight: 8.330 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 75 °F  
Bottom hole temperature: 81 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 220 ft

Cement top: 0 ft

**Burst**

Max anticipated surface pressure: 0 psi  
Internal gradient: 0.433 psi/ft  
Calculated BHP 195 psi

No backup mud specified.

**Tension:**

8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)

Tension is based on buoyed weight.  
Neutral point: 395 ft

Non-directional string.

**Re subsequent strings:**

Next setting depth: 6,300 ft  
Next mud weight: 8.330 ppg  
Next setting BHP: 2,726 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 6,300 ft  
Injection pressure 6,300 psi

| Run Seq | Segment Length (ft) | Size (in)               | Nominal Weight (lbs/ft) | Grade            | End Finish           | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in)     | Internal Capacity (ft³) |
|---------|---------------------|-------------------------|-------------------------|------------------|----------------------|----------------------|---------------------|-------------------------|-------------------------|
| 1       | 450                 | 9.625                   | 36.00                   | K-55             | LT&C                 | 450                  | 450                 | 8.765                   | 32                      |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor  | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor  | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor   |
| 1       | 195                 | 2020                    | 10.37                   | 195              | 3520                 | 18.08                | 14                  | 489                     | 34.43 J                 |

Prepared RJK  
by: Utah Dept. of Natural Resources

Date: September 8,2000  
Salt Lake City, Utah

**ENGINEERING STIPULATIONS: NONE**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
Collapse is based on a vertical depth of 450 ft, a mud weight of 8.33 ppg The casing is considered to be evacuated for collapse purposes.  
Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

Well name:

**9-00 Shendoah WV #16G-2-8-21**

Operator: **Shenandoah**

String type: Production

Project ID:

43-047-33646

Location: Uintah Co.

**Design parameters:**

Collapse

Mud weight: 9.250 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 75 °F  
Bottom hole temperature: 156 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 220 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 0 psi  
Internal gradient: 0.481 psi/ft  
Calculated BHP 2,787 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 4,998 ft

| Run Seq | Segment Length (ft) | Size (in)               | Nominal Weight (lbs/ft) | Grade            | End Finish           | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in)     | Internal Capacity (ft³) |
|---------|---------------------|-------------------------|-------------------------|------------------|----------------------|----------------------|---------------------|-------------------------|-------------------------|
| 1       | 5800                | 4.5                     | 11.60                   | J-55             | LT&C                 | 5800                 | 5800                | 3.875                   | 134.4                   |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor  | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor  | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor   |
| 1       | 2787                | 4960                    | 1.78                    | 2787             | 5350                 | 1.92                 | 58                  | 162                     | 2.79 J                  |

Prepared RJK  
by: Utah Dept. of Natural Resources

Date: September 8,2000  
Salt Lake City, Utah

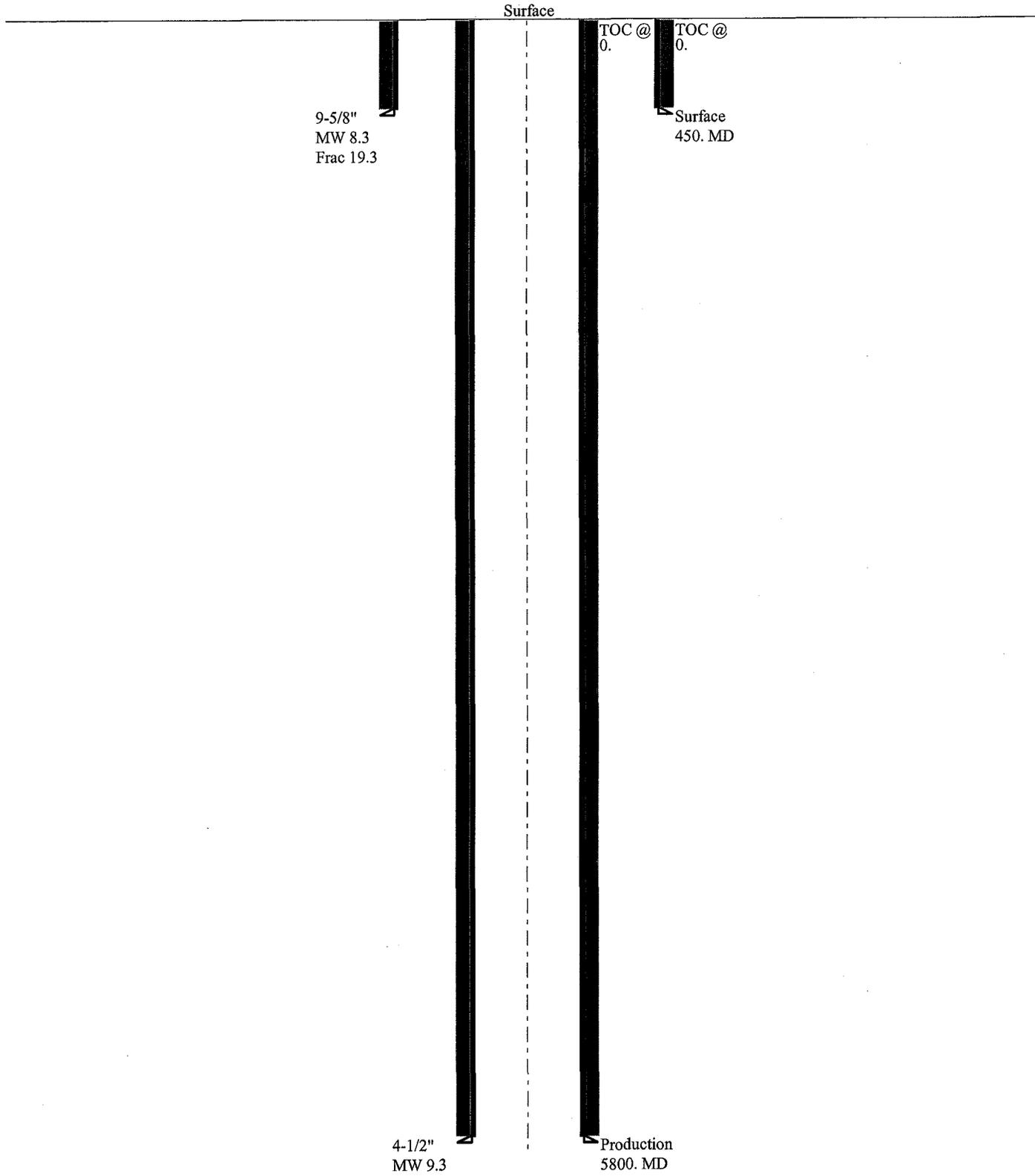
**ENGINEERING STIPULATIONS: NONE**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
Collapse is based on a vertical depth of 5800 ft, a mud weight of 9.25 ppg The casing is considered to be evacuated for collapse purposes.  
Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

9-00 Shendoah WV #16G-2-021

Casing Schematic





State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor  
Kathleen Clarke  
Executive Director  
Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

September 11, 2000

Shenandoah Energy, Inc.  
11002 E 17500 S  
Vernal, UT 84078

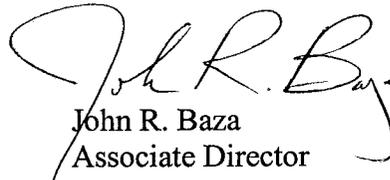
Re: Wonsits Valley Federal Unit 16G-2-8-21 Well, 682' FSL, 732' FEL, SE SE, Sec. 2,  
T. 8 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33646.

Sincerely,



John R. Baza  
Associate Director

er

Enclosures

cc: Uintah County Assessor  
SITLA  
Bureau of Land Management, Vernal Field Office

**Operator:** Shenandoah Energy, Inc.

**Well Name & Number** Wonsits Valley Federal Unit 16G-2-8-21

**API Number:** 43-047-33646

**Lease:** ML-2785

**Location:** SE SE      **Sec.** 2      **T.** 8 South      **R.** 21 East

### Conditions of Approval

1. **General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Robert Krueger at (801) 538-5274 (plugging)
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

**SUBMIT IN TRIPPLICATE\***  
(Other instructions on reverse side)

**FORM APPROVED**  
OBM NO. 1004-0136  
Expires February 28, 1995

|   |  |  |  |  |
|---|--|--|--|--|
| <b>APPLICATION FOR PERMIT TO DRILL OR DEEPEN</b>  |  |  | 5. LEASE DESIGNATION AND SERIAL NO.<br><p align="center">ML-2785</p>                                 |  |
| 1a. TYPE OF WORK<br><b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>   |  |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME<br><p align="center">N/A</p>                                    |  |
| b. TYPE OF WELL<br>OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> |  |  | 7. UNIT AGREEMENT NAME<br><p align="center">WONSITS VALLEY FEDERAL UNIT</p>                          |  |
| 2. NAME OF OPERATOR<br><b>Shenandoah Energy Inc.</b>  |  |  | 8. FARM OR LEASE NAME, WELL NO.<br><p align="center">#16G-2-8-21</p>                                 |  |
| 3. ADDRESS AND TELEPHONE NO. Phone: 435-781-4341      11002 East 17500 South<br>Fax: 435-781-4329      Vernal, Utah 84078   |  |  | 9. API WELL NO.<br><p align="center">43-047-33646</p>  |  |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)<br>At surface<br><b>682' FSL 732' FEL, SESE</b><br>At proposed prod. Zone<br><b>Same</b>                                   |  |  | 10. FIELD AND POOL, OR WILDCAT<br><p align="center">WONSITS VALLEY</p>                               |  |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*<br><b>11 miles West of Redwash Utah</b>   |  |  | 11. SEC., T., R., M., OR BLK AND SURVEY OR AREA<br><p align="center">SEC. 2, T8S, R21E SLB&amp;M</p> |  |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drpg. Unit line if any)<br><b>682' ±</b>   |  | 16. NO. OF ACRES IN LEASE<br><p align="center">602</p> | 17. NO. OF ACRES ASSIGNED TO THIS WELL<br><p align="center">40</p>                                   |  |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.<br><b>1200' ±</b>   |  | 19. PROPOSED DEPTH<br><p align="center">5800'</p>      | 20. ROTARY OR CABLE TOOLS<br><p align="center">Rotary</p>  |  |
| 21. ELEVATIONS (Show whether OF, RT, OR, etc.)<br><b>5002.1'</b>  |  |  | 22. APPROX. DATE WORK WILL START*<br><p align="center">A.S.A.P</p>                                   |  |

**23. PROPOSED CASING AND CEMENTING PROGRAM**  
**REFER TO S.O.P**

Shenandoah Energy Inc. proposes to drill a well to 5800' to test the Green River. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

Operations will be according to the Standard Operating Procedures for the Wonsits Valley Unit.

See Onshore Order No. 1 attached.

Please be advised that Shenandoah Energy Inc. is considered to be the operator of the above mentioned well. Shenandoah Energy Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. U-89-75-80-58. The principal is Shenandoah Energy Inc. via surety as consent as provided for in 43 CFR 3104.2.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed to deepen, give data on present productive zone and proposed new productive zone. If proposed to drill or deepen substantially, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program if any.

24 SIGNED John Busch John Busch TITLE Red Wash Operations Representative DATE 8/8/00

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

Application approved does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY **ACCEPTED BY BLM FOR UNIT PURPOSES ONLY** TITLE \_\_\_\_\_ DATE **SEP 18 2000**

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DOGm

RECEIVED  
SEP 21 2000  
BUREAU OF LAND MANAGEMENT

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**  
Do not use this form for proposals to drill or to deepen or reentry to a different reservoir  
Use "APPLICATION FOR PERMIT--" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil Gas  
 Well  Well  Other

2. Name of Operator  
**SHENANDOAH ENERGY INC.**

3. Address and Telephone No.  
**11002 E. 17500 S. VERNAL, UT 84078-8526 (801) 781-4300**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

5. Lease Designation and Serial No.

6. If Indian, Allottee or Tribe Name  
**N/A**

7. If Unit or CA, Agreement Designation

8. Well Name and No.

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
**UINTAH, UTAH**

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                   | TYPE OF ACTION  |
|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Abandonment                          |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Recompletion                         |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Plugging Back                        |
|  | <input type="checkbox"/> Casing Repair                        |
|  | <input type="checkbox"/> Altering Casing                      |
|  | <input checked="" type="checkbox"/> Other <u>Confidential</u> |
|  | <input type="checkbox"/> Change of Plans                      |
|  | <input type="checkbox"/> New Construction                     |
|  | <input type="checkbox"/> Non-Routine Fracturing               |
|  | <input type="checkbox"/> Water Shut-Off                       |
|  | <input type="checkbox"/> Conversion to Injection              |
|  | <input type="checkbox"/> Dispose Water                        |

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

**Shenandoah Energy Inc. would like to have the attached wells be kept confidential.**

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OCT 11 2000

DIVISION OF  
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct.  
 Signed **JOHN BUSCH** John Busch Title **Operations Supervisor** Date **10/9/00**

(This space for Federal or State office use)

Approved by: \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
 Conditions of approval, if any \_\_\_\_\_

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See instruction on Reverse Side

WELL NAME      WELL LOCATION      1/4 SEC. SECTION      TOWNSHIP      RANGE      API#

|                |             |       |    |    |     |              |
|----------------|-------------|-------|----|----|-----|--------------|
| Red Wash       | 2220B**     | SE NW | 20 | 7S | 23E | 43-047-33491 |
| Red Wash       | 4220B*      | SE NE | 20 | 7S | 23E | 43-047-33490 |
| Red Wash       | 1320B*      | NW SW | 20 | 7S | 23E | 43-047-33498 |
| Red Wash       | 3320B++     | NW SE | 20 | 7S | 23E | 43-047-33500 |
| Red Wash       | 2221B       | SE NW | 21 | 7S | 23E | 43-047-33522 |
| Red Wash       | 2419B       | SE SW | 19 | 7S | 23E | 43-047-33492 |
| Red Wash       | 4419B       | SE SE | 19 | 7S | 23E | 43-047-33524 |
| Wonsits Valley | 6W-16-8-21  | SE NW | 16 | 8S | 21E | 43-047-33527 |
| Gypsum Hills   | 10W-19-8-21 | NW SE | 19 | 8S | 21E | 43-047-33528 |
| Wonsits Valley | 16W-9-8-21  | SE SE | 9  | 8S | 21E | 43-047-33529 |
| Wonsits Valley | 6G-16-8-21  | SE NW | 16 | 8S | 21E | 43-047-33564 |
| Gypsum Hills   | 10G-19-8-21 | NW SE | 19 | 8S | 21E | 43-047-33566 |
| Wonsits Valley | 16G-9-8-21  | SE SE | 9  | 8S | 21E | 43-047-33565 |
| Red Wash       | 2420B       | SE SW | 20 | 7S | 23E | 43-047-33523 |
| Red Wash       | 1319B       | NW SW | 19 | 7S | 23E | 43-047-33497 |
| Red Wash       | 3319B       | NW SE | 19 | 7S | 23E | 43-047-33499 |
| Red Wash       | 4420B       | SE SE | 20 | 7S | 23E | 43-047-33525 |
| Red Wash       | 4219B       | SE NE | 19 | 7S | 23E | 43-047-33556 |
| Red Wash       | 2219B       | SE NW | 19 | 7S | 23E | 43-047-33559 |
| Red Wash       | 4224A       | NE SE | 24 | 7S | 22E | 43-047-33569 |
| Red Wash       | 3424A       | SW SE | 24 | 7S | 22E | 43-047-33567 |
| Red Wash       | 2324A       | NE SW | 24 | 7S | 22E | 43-047-33568 |
| Red Wash       | 2125A       | NE NW | 25 | 7S | 22E | 43-047-33576 |
| Red Wash       | 4125A       | NE NE | 25 | 7S | 22E | 43-047-33579 |
| Red Wash       | 1119B       | NW NW | 19 | 7S | 23E | 43-047-33552 |
| Red Wash       | 3119B       | NW NE | 19 | 7S | 23E | 43-047-33555 |
| Red Wash       | 1120B       | NW NW | 20 | 7S | 23E | 43-047-33553 |
| Red Wash       | 2418B       | SE SW | 18 | 7S | 23E | 43-047-33554 |
| Red Wash       | 3413A       | SW SE | 13 | 7S | 22E | 43-047-33593 |
| Red Wash       | 2124A       | NE NW | 24 | 7S | 22E | 43-047-33592 |
| Red Wash       | 1224A       | SW NW | 24 | 7S | 22E | 43-047-33591 |
| Red Wash       | 1125A       | NW NW | 25 | 7S | 22E | 43-047-33574 |
| Red Wash       | 1325A       | NW SW | 25 | 7S | 22E | 43-047-33575 |
| Red Wash       | 3125A       | NW NE | 25 | 7S | 22E | 43-047-33577 |
| Red Wash       | 3325A       | NW SE | 25 | 7S | 22E | 43-047-33578 |
| Red Wash       | 4225A       | SE NE | 25 | 7S | 22E | 43-047-33580 |
| Red Wash       | 4418B       | SE SE | 18 | 7S | 23E | 43-047-33594 |
| Red Wash       | 1129B       | NW NW | 29 | 7S | 23E | 43-047-33590 |
| Wonsits Valley | 9G-2-8-21   | NE SE | 2  | 8S | 21E | 43-047-33647 |
| Wonsits Valley | 9W-2-8-21   | NE SE | 2  | 8S | 21E | 43-047-33648 |
| Wonsits Valley | 16G-2-8-21  | SE SE | 2  | 8S | 21E | 43-047-33646 |
| Wonsits Valley | 16W-2-8-21  | SE SE | 2  | 8S | 21E | 43-047-33645 |
| Wonsits Valley | 15W-9-8-21  | SW SE | 9  | 8S | 21E | 43-047-33661 |
| Wonsits Valley | 15G-9-8-21  | SW SE | 9  | 8S | 21E | 43-047-33662 |
| Wonsits Valley | 2W-10-8-21  | NW NE | 10 | 8S | 21E | 43-047-33655 |
| Wonsits Valley | 2G-10-8-21  | NW NE | 10 | 8S | 21E | 43-047-33656 |
| Wonsits Valley | 12W-10-8-21 | NW SW | 10 | 8S | 21E | 43-047-33659 |

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OCT 11 2000

DIVISION OF  
OIL, GAS AND MINING

|                |                |       |    |    |     |              |
|----------------|----------------|-------|----|----|-----|--------------|
| Wonsits Valley | 12G-10-8-21    | NW SW | 10 | 8S | 21E | 43-047-33660 |
| Wonsits Valley | 4W-11-8-21     | NW NW | 11 | 8S | 21E | 43-047-33657 |
| Wonsits Valley | 4G-11-8-21     | NW NW | 11 | 8S | 21E | 43-047-33658 |
| Wonsits Valley | 2W-16-8-21     | NW NE | 16 | 8S | 21E | 43-047-33246 |
| Wonsits Valley | 2G-16-8-21     | NW NE | 16 | 8S | 21E | 43-047-33247 |
| Wonsits Valley | 12W-16-8-21    | NW SW | 16 | 8S | 21E | 43-047-33649 |
| Wonsit Valley  | 12G-16-8-21    | NW SW | 16 | 8S | 21E | 43-047-33650 |
| Red Wash       | 33U-19B        | NW SE | 19 | 7S | 23E | 43-047-33654 |
| Red Wash       | 14-27A         | SWSW  | 27 | 7S | 22E | 43-047-33150 |
| Wonsits Valley | WV 1W-18-8-22  | NE NE | 18 | 8S | 22E | 43-047-33294 |
| Wonsits Valley | WV 11W-8-8-22  | NE SW | 8  | 8S | 22E | 43-047-33295 |
| Wonsits Valley | WV 5W-13-8-21  | SW NW | 13 | 8S | 21E | 43-047-33221 |
| Wonsits Valley | WV 9W-13-8-21  | NE SE | 13 | 8S | 22E | 43-047-33223 |
| Wonsits Valley | WV 7W-13-8-21  | SW NE | 13 | 8S | 22E | 43-047-33270 |
| Wonsits Valley | WV 3W-8-8-22   | NE NW | 8  | 8S | 22E | 43-047-33493 |
| Wonsits Valley | WV 5W-7-8-22   | SW NW | 7  | 8S | 22E | 43-047-33494 |
| Wonsits Valley | WV 1W-14-8-21  | NE NE | 14 | 8S | 21E | 43-047-33220 |
| Wonsits Valley | WV 11W-7-8-22  | NE SW | 7  | 8S | 22E | 43-047-33495 |
| Wonsits Valley | WV 13W-7-8-22  | SW SW | 7  | 8S | 22E | 43-047-33496 |
| Wonsits Valley | WV 7W-7-8-22   | SW NE | 7  | 8S | 22E | 43-047-33503 |
| Wonsits Valley | WV 9W-12-8-21  | NE SE | 12 | 8S | 21E | 43-047-33534 |
| Wonsits Valley | WV 3W-7-8-22   | NE NW | 7  | 8S | 22E | 43-047-33502 |
| Wonsits Valley | WV 1W-13-8-21  | NE NE | 13 | 8S | 21E | 43-047-33532 |
| Wonsits Valley | WV 11W-12-8-21 | NE SW | 12 | 8S | 21E | 43-047-33535 |
| Wonsits Valley | WV 1W-7-8-22   | NE NE | 7  | 8S | 22E | 43-047-33501 |
| Wonsits Valley | WV 1W-12-8-21  | NE NE | 12 | 8S | 21E | 43-047-33531 |
| Wonsits Valley | Fed 9W-8-8-22  | NE SE | 8  | 8S | 22E | 43-047-33515 |
| Wonsits Valley | WV 13W-12-8-21 | SW SW | 12 | 8S | 21E | 43-047-33537 |
| Wonsits Valley | WV 3W-18-8-22  | NE NW | 18 | 8S | 22E | 43-047-33533 |
| Wonsits Valley | WV 11W-13-8-21 | NE SW | 13 | 8S | 21E | 43-047-33536 |
| Wonsits Valley | Fed 15W-8-8-22 | SW SE | 8  | 8S | 22E | 43-047-33517 |
| Gypsum Hills   | GH 1W-32-8-21  | NE NE | 32 | 8S | 21E | 43-047-33570 |
| Gypsum Hills   | GH 7W-32-8-21  | SW NE | 32 | 8S | 21E | 43-047-33573 |
| Wonsits Valley | WV 3W-24-8-21  | NE NW | 24 | 8S | 21E | 43-047-33605 |
| Gypsum Hills   | GH 5W-32-8-21  | SW NW | 32 | 8S | 21E | 43-047-33572 |
| Gypsum Hills   | GH 3W-32-8-21  | NE NW | 32 | 8S | 21E | 43-047-33571 |
| Wonsits Valley | WV 13W-18-8-22 | SW SW | 18 | 8S | 22E | 43-047-33538 |
| Wonsits Valley | WV 15W-13-8-21 | SW SE | 13 | 8S | 21E | 43-047-33608 |
| Wonsits Valley | WV 3W-13-8-21  | NE NW | 13 | 8S | 21E | 43-047-33603 |
| Wonsits Valley | WV 13W-13-8-21 | SW SW | 13 | 8S | 21E | 43-047-33606 |
| Wonsits Valley | WV 1W-21-8-21  | NE NE | 21 | 8S | 21E | 43-047-33602 |
| Wonsits Valley | WV 9W-14-8-21  | NE SE | 14 | 8S | 21E | 43-047-33269 |
| Glen Bench     | GB 5W-17-8-22  | SW NW | 17 | 8S | 22E | 43-047-33514 |
| Wonsits Valley | WV 1W-24-8-21  | NE NE | 24 | 8S | 21E | 43-047-33613 |
| Wonsits Valley | WV 3W-22-8-21  | NE NW | 22 | 8S | 21E | 43-047-33604 |
| Glen Bench     | GB 9W-18-8-22  | NE SE | 18 | 8S | 22E | 43-047-33516 |
| Wonsits Valley | WV 13W-14-8-21 | SW SW | 14 | 8S | 21E | 43-047-33607 |
| Glen Bench     | GB 3W-17-8-22  | NE NW | 17 | 8S | 22E | 43-047-33513 |
| Wonsits Valley | WV 11W-18-8-22 | NE SW | 18 | 8S | 22E | 43-047-33626 |

OCT 11 2000

DIVISION OF  
OIL, GAS AND MINING

RECEIVED

|             |                |       |    |    |     |              |
|-------------|----------------|-------|----|----|-----|--------------|
| Glen Bench  | GB 3W-22-8-22  | NE NW | 22 | 8S | 22E | 43-047-33652 |
| Glen Bench  | GB 12W-30-8-22 | NW SW | 30 | 8S | 22E | 43-047-33670 |
| White River | WR 13W-3-8-22  | SW SW | 3  | 8S | 22E | 43-047-33651 |

**RECEIVED**

OCT 11 2000

DIVISION OF  
OIL, GAS AND MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**CONFIDENTIAL**

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir  
Use "APPLICATION FOR PERMIT--" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil  Gas   
 Well  Well  Other

2. Name of Operator  
**SHENANDOAH ENERGY INC.**

3. Address and Telephone No.  
**11002 E. 17500 S. VERNAL, UT 84078-8526 (801) 781-4306**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**682' FSL, 732' FEL, SE SE, SECTION 2, T8S, R21E, SLBM**

5. Lease Designation and Serial No.  
**ML-2785**

6. If Indian, Allottee or Tribe Name  
**N/A**

7. If Unit or CA, Agreement Designation  
**Wonsits Valley Federal Unit**

8. Well Name and No.  
**WVVFU 16G 2 8 21**

9. API Well No.  
**43-047-33646**

10. Field and Pool, or Exploratory Area  
**Wonsits Valley - Wasatch**

11. County or Parish, State  
**UINTAH, UTAH**

**CONFIDENTIAL**

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                    | TYPE OF ACTION   |
|---|--|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Abandonment                       |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Recompletion                      |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Plugging Back                     |
|   | <input type="checkbox"/> Casing Repair                     |
|   | <input type="checkbox"/> Altering Casing                   |
|   | <input checked="" type="checkbox"/> Other <u>SPUD DATE</u> |
|   | <input type="checkbox"/> Change of Plans                   |
|   | <input type="checkbox"/> New Construction                  |
|   | <input type="checkbox"/> Non-Routine Fracturing            |
|   | <input type="checkbox"/> Water Shut-Off                    |
|   | <input type="checkbox"/> Conversion to Injection           |
|   | <input type="checkbox"/> Dispose Water                     |

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

**THIS WELL WAS SPUD NOVEMBER 25, 2000. DRILL 473' OF 12 1/4" HOLE. RUN 11 JTS OF 36# K-55 CSG.**

12/18/00  
D. C. Beaman  
Office Manager

14. I hereby certify that the foregoing is true and correct.  
Signed D. C. Beaman Doris C. Beaman Title Office Manager Date 12/18/00

(This space for Federal or State office use)  
Approved by: \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any \_\_\_\_\_

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

OPERATOR: **Shenandoah Energy, Inc.**  
ADDRESS: **11002 East 17500 South  
Vernal, Utah 84078-8526**

OPERATOR ACCT. No. 4235  
**(801)781-4300**

| Action Code | Current Entity No. | New Entity No. | API Number   | Well Name       | QQ    | SC | TP | RG  | County | Spud Date | Effective Date |
|-------------|--------------------|----------------|--------------|-----------------|-------|----|----|-----|--------|-----------|----------------|
| B           | 99999              | 05265          | 43-047-33646 | WVFU 16G 2 8 21 | SE SE | 2  | 8S | 21E | Uintah | 11/25/00  | 11-25-00       |

WELL 1 COMMENTS:  
**New well drilled in the Wonsits Valley Green River Unit.**

|  |  |  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|--|--|

WELL 2 COMMENTS:

|  |  |  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|--|--|

WELL 3 COMMENTS:

|  |  |  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|--|--|

WELL 4 COMMENTS:

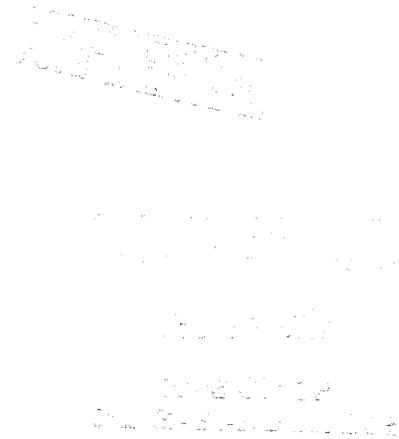
|  |  |  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|--|--|

WELL 5 COMMENTS:

- ACTION CODES (See instructions on back of form)
- A - Establish new entity for new well (single well only)
  - B - Add new well to existing entity (group or unit well)
  - C - Re-assign well from one existing entity to another existing entity
  - D - Re-assign well from one existing entity to a new entity
  - E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected

*Don C. Beaman*  
Signature  
Office Manager. 12/18/00  
Title Date  
Phone No. (801) 781-4306



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
ML-2785

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

7. If Unit or CA/Agreement, Name and/or No.  
8910084820

8. Well Name and No.  
WVVFU 16G-2-8-21

9. API Well No.  
43-047-33646

10. Field and Pool, or Exploratory  
WONSITS VALLEY

11. County or Parish, and State  
UINTAH COUNTY, UT

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
SHENANDOAH ENERGY INC

Contact: J.T. CONLEY  
E-Mail: jconley@shenandoahenergy.com

3a. Address  
11002 EAST 17500 SOUTH  
VERNAL, UT 84078

3b. Phone No. (include area code)  
Ph: 435.781.4300

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 2 T8S R21E SESE 682FSL 732FEL

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |   |  |  |
|--|---|---|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off    |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity    |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other  |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | Suspension of Operations and/or Production |
|  | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Suspended drilling operation.

This well was spud and surface casing set on 11/25/2000. Drilling operations have been temporarily suspended pending geological evaluation. Surface casing set @ 473'. Cased well continue drilling operations w. plug by 28 2002 - per J.T. Conley 4/10/02 DKS

11/14/02  
D.K.S.

OFFICE OF THE DIRECTOR  
BUREAU OF LAND MANAGEMENT  
11/14/02  
J.T. Conley

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #9974 verified by the BLM Well Information System For SHENANDOAH ENERGY INC, sent to the Vernal**

Name (Printed/Typed) J.T. CONLEY Title DIVISION MANAGER

Signature (Electronic Submission) Date 01/07/2002

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office \_\_\_\_\_

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



28b. Production - Interval C

|                     |                      |              |                      |         |         |           |                       |             |                   |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Date First Produced | Test Date            | Hours Tested | Test Production<br>→ | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate<br>→     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio         | Well Status |                   |

28c. Production - Interval D

|                     |                      |              |                      |         |         |           |                       |             |                   |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Date First Produced | Test Date            | Hours Tested | Test Production<br>→ | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate<br>→     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio         | Well Status |                   |

29. Disposition of Gas (Sold, used for fuel, vented, etc.)  
OTHER

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top         |
|-----------|-----|--------|------------------------------|------|-------------|
|           |     |        |                              |      | Meas. Depth |
|           |     |        |                              |      |             |

32. Additional remarks (include plugging procedure):  
This well was spud with surface casing set to 473'. Drilling has been suspended pending further geologic evaluation.

33. Circle enclosed attachments:

- 1. Electrical/Mechanical Logs (1 full set req'd.)
- 2. Geologic Report
- 3. DST Report
- 4. Directional Survey
- 5. Sundry Notice for plugging and cement verification
- 6. Core Analysis
- 7. Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #10082 Verified by the BLM Well Information System.  
For SHENANDOAH ENERGY INC, sent to the Vernal

Name (please print) J.T. CONLEY Title DIVISION MANAGER

Signature \_\_\_\_\_ (Electronic Submission) Date 01/16/2002

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

|  |  |  |
|--|--|--|
| 1. Type of Well<br><input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other |  | 5. Lease Serial No.<br>ML-2785                       |
| 2. Name of Operator<br>SHENANDOAH ENERGY   |  | 6. If Indian, Allottee or Tribe Name<br>N/A          |
| 3a. Address<br>11002 E. 17500 S.<br>VERNAL, UT 84078   |  | 7. If Unit or CA/Agreement, Name and/or No.<br>N/A   |
| 3b. Phone No. (include area code)<br>Ph: 435.781.4342<br>Fx: 435.781.4357  |  | 8. Well Name and No.<br>WV 16G 2-8-21                |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>Sec 2 T8S R21E SESE 682FSL 732FEL                      |  | 9. API Well No.<br>43-047-33646                      |
|  |  | 10. Field and Pool, or Exploratory<br>WONSITS VALLEY |
|  |  | 11. County or Parish, and State<br>UINTAH COUNTY, UT |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |  |  |   |
|--|---|--|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen                      | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat              | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction            | <input type="checkbox"/> Recomplete                | <input type="checkbox"/> Other          |
|  | <input type="checkbox"/> Change Plans         | <input checked="" type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |   |
|  | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back                   | <input type="checkbox"/> Water Disposal            |   |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

"Confidential. Do not release well information without permission from Shenandoah Energy Inc."

We intend to Plug & Abandon this well. Well has surface casing set to 461'GL. Place cement surface plug 50' back to surface. Cut off wellhead and cap with plate and marker. Location has a twin well and will not be remediated.

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

DATE: 8/1/2002  
BY: [Signature]

\* See Conditions of Approval

COPY SENT TO OPERATOR  
Date: 8-2-02  
Initials: [Signature]

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #12713 verified by the BLM Well Information System For SHENANDOAH ENERGY, sent to the Vernal**

|  |                          |
|--|--------------------------|
| Name (Printed/Typed) JIM SIMONTON                    | Title COMPLETION MANAGER |
| Signature (Electronic Submission) <u>[Signature]</u> | Date 07/19/2002          |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

|   |             |            |
|---|-------------|------------|
| Approved By _____   | Title _____ | Date _____ |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. |             |            |
| Office _____  |             |            |

RECEIVED

JUL 22 2002

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*\* ORIGINAL \*\*

~~CONFIDENTIAL~~



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor  
Kathleen Clarke  
Executive Director  
Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

***CONDITIONS OF APPROVAL  
TO PLUG AND ABANDON WELL***

Well Name and Number: WV 16G-2-8-21  
API Number: 43-047-33646  
Operator: Shenandoah Energy  
Reference Document: Original Sundry Notice dated July 19, 2002,  
received by DOGM on July 22, 2002

Approval Conditions:

1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.
2. All annuli shall be cemented from a minimum depth of 100' to the surface.
3. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.
4. If there are any changes to the plugging procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 prior to continuing with the procedure.
5. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.

Dustin K. Doucet  
Petroleum Engineer

August 1, 2002

Date

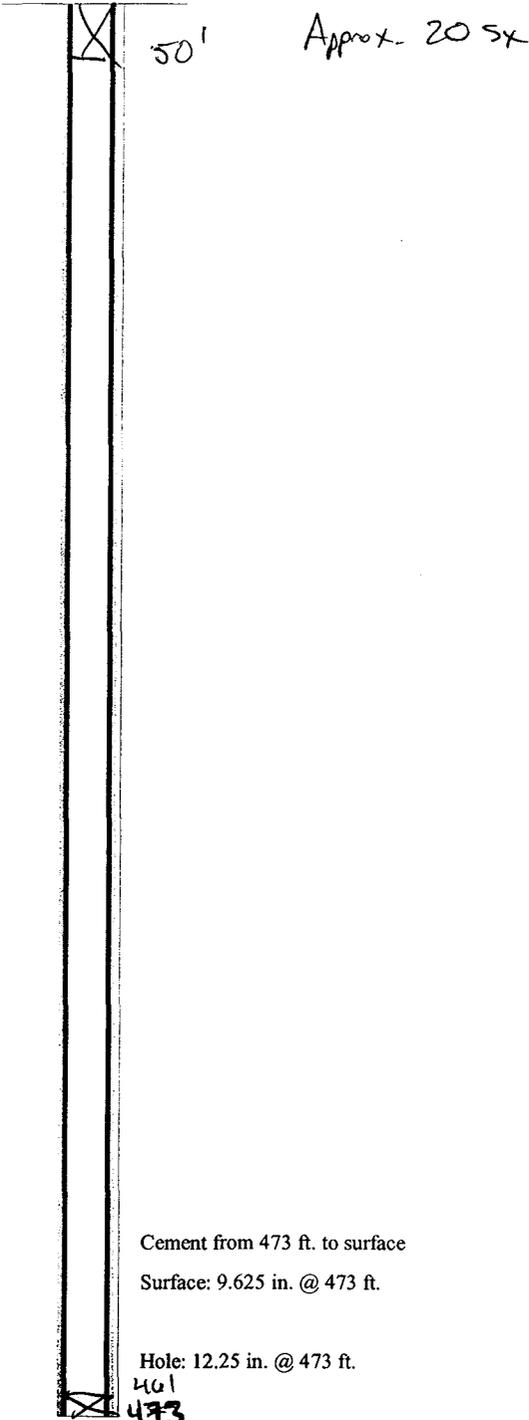
# Wellbore Diagram

API Well No: 43-047-33646-00-00    Permit No:  
 Company Name: SHENANDOAH ENERGY INC  
 Location: Sec: 2 T: 8S R: 21E Spot: SESE  
 Coordinates: X: 626509 Y: 4444967  
 Field Name: WONSITS VALLEY  
 County Name: UINTAH

Well Name/No: WVFU 16G-2-8-21

### String Information

| String | Bottom (ft sub) | Diameter (inches) | Weight (lb/ft) | Length (ft) |
|--------|-----------------|-------------------|----------------|-------------|
| HOLI   | 473             | 12.25             |                |             |
| SURF   | 473             | 9.625             | 36             | 473         |



### Cement Information

| String | BOC (ft sub) | TOC (ft sub) | Class | Sacks |
|--------|--------------|--------------|-------|-------|
| SURF   | 473          | 0            | UK    | 175   |

### Perforation Information

### Formation Information

| Formation | Depth | Formation | Depth |
|-----------|-------|-----------|-------|
|-----------|-------|-----------|-------|

Cement from 473 ft. to surface

Surface: 9.625 in. @ 473 ft.

Hole: 12.25 in. @ 473 ft.

TD: 461    TVD:    PBTD: 461

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
ML-2785

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
16G 2 8 21  
WVWV

9. API Well No.  
43-047-33646

10. Field and Pool, or Exploratory  
WONSITS VALLEY

11. County or Parish, and State  
UINTAH COUNTY, UT

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
SHENANDOAH ENERGY  
Contact: DAHN F. CALDWELL  
E-Mail: Dahn.Caldwell@questar.com

3a. Address  
11002 E. 17500 S.  
VERNAL, UT 84078

3b. Phone No. (include area code)  
Ph: 435.781.4342  
Fx: 435.781.4357

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 2 T8S R21E SESE 682FSL 732FEL

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |  |  |   |
|---|---|--|--|---|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen                      | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat              | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction            | <input type="checkbox"/> Recomplete                | <input type="checkbox"/> Other          |
|   | <input type="checkbox"/> Change Plans         | <input checked="" type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |   |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back                   | <input type="checkbox"/> Water Disposal            |   |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This well was a surface plug & abandonment completed on 12/06/02. The following work was accomplished to complete the P&A:

- 1 - MIRU.
- 2 - RIH w/ 4 jts tbg to 127'.
- 3 - Run 127' cement to surface plug in 9-5/8" csg.
- 4 - POOH & lay down 4 jts.
- 5 - Top off 9-5/8" csg with cement.
- 6 - Csg head was cut off & subsurface plate was installed on 12/06/02.

CONFIDENTIAL - TIGHT HOLE  
Do not release well information without permission from Shenandoah Energy Inc.

**RECEIVED**

DEC 20 2002

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #16970 verified by the BLM Well Information System For SHENANDOAH ENERGY, sent to the Vernal**

Name (Printed/Typed) JOHN CONLEY Title DISTRICT MANAGER

Signature *John Conley (d/c)* Date 12/18/2002  
(Electronic Submission)

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office \_\_\_\_\_

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***

